



# **Police Department Overtime Follow-Up Audit Report**

Issued by the  
Internal Audit Office  
May 19, 2010

**City of El Paso  
Internal Audit Office  
Police Department Overtime Follow-Up Audit**

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***EXECUTIVE SUMMARY***

The Internal Audit Office conducted a follow-up audit on Police Department Overtime Audit Report dated August 14, 2006. Upon completion of the audit fieldwork, we have determined the status of the recommendation for each audit finding as outlined in the table below:

Finding No.	Description of Findings	Status
1	The Police Department's Procedures Manual does not address Flex Time, weekday appointments of an "Acting Commander/Captain/Manager," time guidelines for overtime slips submittal, and the tracking of outside employment.	Implemented
2	Overtime expenditures are not being properly allocated to the appropriate grant account. The Grant Division's documented procedures are not specific and do not provide adequate guidance on how to allocate grant expenditures, or how to correct errors and/or omissions related to grant expenditures.	Implemented
3	<p>A sample of 123 Overtime (OT) Slips submitted by 22 officers covering the month of January 2006 was reviewed for accuracy, validity, and proper approval. The results of our review indicate the following:</p> <ul style="list-style-type: none"><li>• 75 out of 123 OT Slips (60.9%) were not dated. The form does not require an approval date by design. Therefore, making it difficult to determine if the overtime was valid, approved, and submitted within the required timeframe.</li><li>• 16 out of 123 OT Slips (13.0%) were not approved by a Commander, Captain, or Civilian Manager for overtime occurring during a weekday.</li><li>• Four out of 123 OT Slips (3.3%) were not submitted to the Payroll Division within the 48 hours requirement and were not properly approved.</li><li>• One out of 123 OT Slips (0.8%) was missing the reason for the overtime and was not properly approved.</li></ul>	In Progress
4	<p>The following items were identified related to the KRONOS Time Management System:</p> <ul style="list-style-type: none"><li>• KRONOS is not being used to identify excess accruals for vacation and compensatory (comp) time leave.</li><li>• KRONOS is not adjusting or calculating shift differential for officers whose day shift carries them into an evening shift.</li><li>• The work schedule in KRONOS is being overridden by leave entries in POLICE MANAGER.</li></ul>	Implemented
5	The Police Department is using two Time Management Systems to monitor its employees work schedules and process leave requests, KRONOS and POLICE MANAGER. Resulting in a duplication of effort and inaccurate entries due to the challenges associated with the data interface between the systems.	Implemented

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6	The Police Department is not in compliance with the Collective Bargaining Agreement's (Article 10, Section 2) stipulation allowing a maximum accrual of 320 vacation leave hours and the Civil Service Commission Rule 13 (Section 4.b) regarding the forfeiture of leave balances over the 320 hours.	Implemented
7	There is a problem with the payment and processing of overtime. 81 out of 2,205 overtime payments reviewed (3.7%) were processed as retroactive overtime payments totaling \$8,586.43.	Implemented
8	A review of 16 Outside Employment Applications for the month of January 2006 indicated the following: <ul style="list-style-type: none"> <li>• 14 out of 16 applications (87.5%) did not contain a copy of the employee's work schedule as required by the form.</li> <li>• Three out of 16 applications (18.8%) did not list the "Location/Comments" and were not approved by the Department Head.</li> <li>• There was one entry in the "Outside Employment" spreadsheet that should not have been considered as outside employment because the officer was working grant overtime.</li> </ul>	Implemented
9	The Police Department currently has only one Certified Breath Test Program Technical Supervisor and 31 Certified Breath Test Operators, resulting in increased overtime for these officers.	Implemented
10	The Police Department does not have a rotation policy for officers working overtime.	Implemented
11	Vacation leave requests, are not being properly approved by management. The approvals involved individual requests and approvals in POLICE MANAGER.	In Progress
12	Comp Time support documentation is incomplete or missing. Thus, making it difficult to verify the validity, authorization, and compliance with Police Department Policies and Procedures.	Implemented
13	There are delays in the submission and approval of Comp Time requests.	Implemented

Based on the results of this follow-up audit, we have determined that eleven (11) of the thirteen (13) original findings have been implemented, and two (2) are in progress of being implemented.

For a detailed explanation of the findings and the current observations please refer to the appropriate finding contained in the body of this Audit Report.

### ***BACKGROUND***

The Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing, Standard 2500.AI*, requires a post audit follow-up on all audit recommendations made to ascertain that appropriate action is taken on reported audit findings. The Internal Audit Office has conducted a follow-up audit of the Police Department Overtime Audit Report dated August 14, 2006.

### ***AUDIT OBJECTIVES***

The audit objective was to determine the status of the recommendations detailed in the original audit report which contained thirteen (13) findings requiring follow-up.

### ***SCOPE AND METHODOLOGY***

The follow-up audit was limited to a review of the findings and recommendations detailed in the original audit report, dated August 14, 2006. The audit period covered the operations of the Police Department from September 1, 2009 to the present. Audit fieldwork included interviewing key personnel, reviewing documents, and testing management processes to determine the status of each recommendation.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors.

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**ORIGINAL FINDINGS, ORIGINAL RECOMMENDATIONS, MANAGEMENT'S RESPONSE  
TO ORIGINAL FINDINGS, CURRENT OBSERVATION, AND STATUS**

Based on the results of follow-up test work, each original finding recommendation will be designated with one of the following four status categories:

<i>Implemented</i>	The finding has been addressed by implementing the original corrective action or an alternative corrective action.
<i>In Progress</i>	The corrective action has been initiated but is not complete.
<i>Not Applicable</i>	The recommendation is no longer applicable due to changes in procedures or changes in technology.
<i>Not Implemented</i>	The recommendation was ignored, there were changes in staffing levels, or management has decided to assume the risk.

**Finding 1**

**Procedures Manual**

The Police Department's Procedures Manual does not address:

- The use of "Flex Time", which is being permitted even though its use, is not stipulated in the Collective Bargaining Agreement.
- The appointment of an "Acting Commander, Captain, or Civilian Manager" during a weekday, who is allowed to approve overtime slips.
- The required timeframe for submitting the overtime slips to the Police Department's Payroll Division. Which is 48 hours from the occurrence of the overtime.
- The tracking of approved and denied "Outside Employment Application Forms", as required by Civil Service Rule 29.

**Recommendation**

The Police Department's Procedures Manual needs to be updated to correct the deficiencies identified in this finding.

**Management's Response**

- "Flex Time" is a City Policy in which the police department is in full compliance. The City "Flex Time" Policy is covered on page 27 of the City of El Paso Employee Handbook, of which each police employee, (uniformed and civilian), was required to receive and sign for as per city policy. The Department Procedures Manual will be updated to include the city's "flex time" policy.
- The Department Manual was amended in October of 2005 to include the following section – Supervisory Responsibility, 2-102.01, which states, "An employee, by order of the Chief of Police or other superior in the employee's chain of command, may be temporarily required to perform the duties of a higher rank or position. When performing these duties, the person exercises the

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authority and bears all responsibilities.” As to the second bullet, this section provides the provision needed to appoint an Acting Commander, Captain, or Civilian manager who would have the authority to approve overtime requests regardless of the day of the week. This provision applies to all duties of the temporarily appointed higher rank and not just for the approval of OT slips.

- The Police Department is in the process of updating their current time keeping policy. The current policy under Section – Record Keeping, 2-302.03, which requires that all overtime slips be submitted by the beginning of the next scheduled work day. A pending “Time Keeping” Administrative Order is awaiting final approval by legal and the Chief of Police. This order will amend the current policy requiring overtime to be submitted the same day the overtime is worked.
- The Chief’s Office maintains a database that tracks all outside Employment requests that are submitted to the Department Head. This finding indicates that the Police Department is not in compliance with Rule 29, Civil Service Rules and Regulations by not tracking all approved and denied requests. Currently all requests submitted have been approved by the Chief of Police or his designee. The Department has no request on file that has been denied by the Department Head; therefore our database does not reflect any denials at this time.

**Responsible Party**

Diana Kirk, Assistant Chief of Police

**Implementation Date**

September 1, 2007

**Current Observation**

The El Paso Police Department’s Procedures Manual has been revised to address the use of Flex Time, weekday appointments of an “Acting Commander/Captain/Manager,” time guidelines for overtime slips submittal, and the tracking of outside employment.

**Status**

Implemented

## **Finding 2**

### **Grants**

A review of grant procedures was conducted. The Police Department Procedures Manual, Chapter 3 – Grant Section:

- Does not provide adequate guidance as to how to allocate grant expenditures, because procedures are not specific.
- Does not provide guidance on how to correct errors and/or omissions related to grant expenditures.

A sample of 123 Overtime (OT) Slips submitted by 22 officers covering the month of January 2006 was reviewed. Two out of 123 OT slips (1.6%) were not allocated to the appropriate grant account:

- The COMP STEP Grant was not charged 6.33 hours of overtime; instead the hours were charged to the general fund account (21010050).
- The HIDTA STING Grant was not charged 6 hours of overtime; instead the hours were charged to the general fund account (21010050).

### **Recommendation**

The Police Department's Payroll Division needs to implement a quality control review procedure to ensure that grant overtime expenditures are properly allocated.

The Grant Section of the Police Department Procedures Manual needs to be updated to include specific guidance on how to allocate grant expenditures, and how to correct errors and/or omissions related to grant expenditures.

### **Management's Response**

- A review of the finding indicates that only 1 OT slip out of 123 slips sampled (less than 1%) was not charged to the appropriate grant account.
- The HIDTA STING audit finding is not a valid one. The overtime was correctly charged to the General Fund. HIDTA has an \$11,000 OT cap per Fiscal Year and this officer exceeded his cap as of 7/28/06. All OT worked after the cap is met is transferred by the Grants Section to the General Fund.

### **Responsible Party**

Marta Giner, Senior Grants Planner

### **Implementation Date**

January 1, 2007

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**Chief Internal Auditor's Response**

A secondary review was conducted of the two overtime slips in question. It was determined that the finding is valid. The overtime charged to the HIDTA STING Grant occurred prior to July 28, 2006, indicating that the overtime was not allocated properly.

**Current Observation**

- The Grants Division Operations Manual has been revised to include specific guidance on how to allocate grant expenditures, and how to correct errors and/or omissions related to grant expenditures.
- A review of 5 officers that worked grant overtime during the period of March 28, 2010 to April 24, 2010 was conducted in order to verify that grant overtime is being allocated to the appropriate grant account. The review indicated that six (6) out of six (6) instances of grant overtime reviewed were properly allocated.

**Status**

Implemented



**Finding 3**

**Overtime Slip Approval Procedures**

A sample of 123 Overtime (OT) Slips submitted by 22 officers covering the month of January 2006 was reviewed for accuracy, validity, and proper approval. The results of our review indicate the following:

- 75 out of 123 OT Slips (60.9%) were not dated. The form currently in use does not require an approval date by design. Therefore, making it difficult to determine if the overtime was valid, approved, and submitted within the required timeframe.
- 16 out of 123 OT Slips (13.0%) were not approved by a Commander, Captain, or Civilian Manager for overtime occurring during a weekday.
- Four out of 123 OT Slips (3.3%) were not submitted to the Payroll Division within the 48 hours requirement and were not properly approved.
- One out of 123 OT Slips (0.8%) was missing the reason for the overtime and was not properly approved.

**Recommendation**

The Police Department's Payroll Division needs to implement a quality control review procedure to ensure that OT slips are valid, properly approved (to include approval date) and submitted within the required timeframe of 48 hours from the date of the overtime.

**Management's Response**

- Regarding the finding that overtime slips not being properly dated, it should be noted that the current overtime form does not require the date that it is approved at the Command level. This form will be amended to include a space requiring an approval date at the Command level.
- OT slips not being approved by a Commander, Captain, or Civilian Manager – the majority of the slips in question were signed by the acting Commander, Captain, or Civilian Manager. As per current policy, Supervisory Responsibility, Section 2-102.01 of the Department Manual as previously stated grants authority to an acting Commander, Captain, or Civilian Manager.
- The Police Department is in the process of developing an automated electronic system for the overtime processing. Currently all overtime is completed on hardcopy in a paper format that requires handwritten completion, review, and approval. Once approved, they must be hand delivered daily from a variety of locations throughout the city to Police Headquarters located at 911 Raynor to be manually posted by a Payroll Clerk. This entire process is very time consuming and inefficient, thus resulting in overtime slips not being submitted to our payroll section within the required time frame. Once the electronic submission, approval and posting is in place, this finding will be resolved.

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- Regarding the last finding that .08% or 1 of 123 overtime slips failed to list the reason for OT will be addressed immediately and when the electronic overtime slip is implemented, as this will be a required field. As previously stated we are presently developing a form within the Police Manager System to automate the overtime process.

**Responsible Party**

Diane Kirk, Assistant Chief of Police

**Implementation Date**

September 1, 2007

**Chief Internal Auditor's Response:**

The Police Department is assuming additional risk by not fully implementing this recommendation. The Police Department is willing to revise its current procedures in dating the overtime request. The Police Department is also willing to practice the procedure of appointing a temporary Commander, Captain, or Civilian Manager.

The additional risks lie with the Police Department addressing the submission and justification of overtime by using the POLICE MANAGER System. The KRONOS System is capable of recording, processing, and monitoring overtime. The Police Department needs to implement the use of the KRONOS Time Management System in handling its overtime, which is the City of El Paso's official Time Management System. KRONOS currently interfaces with the City of El Paso's Payroll System.

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**Current Observation**

- Overtime (OT) requests are electronically submitted, approved, and posted to KRONOS via Agency Web on the day the overtime is worked. Overtime slips are no longer used, with the exception of TXDOT grant overtime and when the electronic system is down. The number of earn codes utilized by both Agency Web and KRONOS has increased in order to help identify the overtime reason.
- A sample of 74 overtime requests (excluding grant overtime), submitted by five officers during the period of March 28, 2010 to April 24, 2010 were selected for review. The results of our review indicated the following:
  - 12 out of 74 (16%) of OT occurrences reviewed were not submitted in Agency Web on the day the overtime was worked.
    - 11 occurrences were submitted the day after the OT was worked.
    - One occurrence was submitted five days after the OT was worked.
  - 50 out of 74 (68%) of OT occurrences were not approved on the same day the overtime was worked.
    - 31 occurrences were approved the day after the OT was worked.
    - 11 occurrences were approved two days after the OT was worked.
    - Five occurrences were approved three days after the OT was worked.
    - Two occurrences were approved four days after the OT was worked.
    - One occurrence was approved five days after the OT was worked.

**Status**

In Progress

The El Paso Police Department should consider revising its procedures regarding the submission and approval of overtime to allow more time for overtime requests to be submitted and approved.

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**Finding 4**

**KRONOS**

The following inefficiencies in KRONOS were identified:

- KRONOS is not being used to identify excess accruals for vacation and compensatory (comp) time leave.
- KRONOS is not adjusting or calculating shift differential for officers whose day shift carries them into an evening shift.
- The work schedule in KRONOS is being overridden by leave entries in POLICE MANAGER.

**Recommendation**

KRONOS is the City's official Time Management System, which is used to determine the department's payroll. Management needs to work with the City's Human Resource Department in order to conduct an analysis to identify, enhance, and customize KRONOS to meet the department's needs.

**Management's Response**

- The Department has attempted to address El Paso Police Department-specific issues in KRONOS by partnering with the Human Resources Department and the KRONOS vendor without success. On or about September 15, 2005, EPPD formally initiated technical solutions in KRONOS through HR to automate the following department specific issues: Shift Differential, Excess Vacation, Excess Compensatory Time, and Leave Posting from Court Notify System (CNS). KRONOS was contracted through HR with funding being provided by EPPD to address and fully automate these issues. Subsequent meetings between HR, PD, and KRONOS (from 11/7/05 to 4/22/06) failed to produce the system results required by the department to fully automate KRONOS to meet the needs of the department.
- The Police Department is currently working with ORION, the vendor for our POLICE MANAGER and COURT NOTIFY Systems. Since the POLICE MANAGER System is already linked to KRONOS, real time vacation balances in excess of 320 hours can be requested and audited.
- The Police Department suffers the same problem with compensatory time requests. The KRONOS System is currently unable to limit comp-time accruals to the 80 hours as per contractual agreement; therefore, Police Payroll Clerks are forced to manually check each employee's accrual each time a compensatory time request is made. If such request does not take the employee over the 80 maximum hours, then the accrual is entered manually. If the accrual puts the employee over the maximum hours, then the payroll clerk is required to change the request to overtime payment. Through POLICE MANAGER we will have the ability to view real time compensatory time accruals, so when an electronic

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request is made POLICE MANAGER will have the ability to send the affected employee an error message that the accruals are at maximum, thus denying the request.

- The Police Department due to the nature of its work requires supervisory personnel to develop and have on-hand daily work schedules. The KRONOS System requires a work schedule for time keeping purposes. The Police Department requires daily schedules for a number of other reasons, such as court notifications via COURT NOTIFY and for daily work assignments of its personnel. Since POLICE MANAGER and COURT NOTIFY requires a daily work schedule, a data link has been established in which each employees work schedule is downloaded to the KRONOS System weekly from POLICE MANAGER. This allows for a number of efficiencies, including the entry of an employee into only one database opposed to a number of systems.

**Responsible Party**

Diana Kirk, Assistant Chief of Police & Stuart Ed, Director of Administrative Services

**Implementation Date**

September 1, 2007

**Chief Internal Auditor's Response**

A preliminary contact has been made with the Human Resources Director regarding an interface between KRONOS and the POLICE MANAGER Systems. Per the Human Resources Director, the KRONOS Time Management System is capable of monitoring vacation, comp time leave, shift differentials, and work schedules. The use of POLICE MANAGER as an internal monitoring and management tool is not a concern, as long as POLICE MANAGER interfaces accurately with the KRONOS System. Keeping in mind that KRONOS Time Management System is the official time management system for the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll System.

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**Current Observation**

The deficiencies and recommendations identified with KRONOS have been addressed with the exception of vacation accruals:

- KRONOS is not used to identify excess vacation accruals for police officers. KRONOS vacation accrual reports are based on the date that the report was run and the excess accruals for Police Officers are based on each officer's anniversary date. Because vacation accruals are reviewed on a case by case basis to be in compliance with the Police Department Collective Bargaining Agreement, KRONOS vacation accrual reports are not applicable to the needs of the Police Department.
- A query in KRONOS is used to identify excess COMP time accruals at the end of each pay period.
- KRONOS is automatically calculating shift differentials, with the exception of split days.
- Work schedules are uploaded into KRONOS from Agency Web on Saturdays and updates are posted every hour. Duty hours, absences, overtime/comp time requests, and leave requests of all Department employees are submitted, approved and posted to KRONOS via Agency Web.

**Status**

Implemented

**Finding 5**

**Time Management System**

The Police Department is currently using two Time Management Systems to monitor its employees work schedules and process leave request, KRONOS and POLICE MANAGER. Resulting in a duplication of effort and inaccurate entries due to the challenges associated with the data interface between the systems.

**Recommendation**

Management needs to consider the exclusive use of KRONOS as its Time Management System. KRONOS is the City's official Time Management System. The exclusive use of KRONOS should help reduce inefficiencies and the risk of erroneous entries. In addition, the use of KRONOS will help ensure the timeliness of the approvals and submittals. Reducing the need to process retroactive overtime payments and ensuring that all overtime reports include accurate overtime figures.

**Management's Response**

- The Police Department is not using two time management systems. The only official time management system in use by the Police Department is the KRONOS Time Keeping System. The POLICE MANAGER System is a Personnel Management Program, rather than a Time Management System. The Police Department originally purchased the COURT NOTIFY System, which electronically notifies officers of a court date and requires that the officer acknowledge the notification electronically. It assists the courts by notifying the courts of any schedule conflicts when scheduling officers (leave time, training, another court). The Department then added the POLICE MANAGER Program, which is a system that works in conjunction with the Court Notify System. Electronic leave requests were included and are a vital part of the POLICE MANAGER System, so that the information would be readily available in the COURT NOTIFY System. This interface is critical for the department to effectively manage its overtime court cost. This system assists in ensuring Officers are scheduled for court during their working hours as much as possible while reducing unnecessary and costly overtime.
- The KRONOS and POLICE MANAGER Systems are linked. Recently, an export was set up which exports employees' work schedules from POLICE MANAGER System to the KRONOS System as discussed above. This eliminated the need for supervisors to enter schedules into KRONOS and a number of other databases in use by the Police Department. Leave requests are made and approved in the POLICE MANAGER System. Approved leave requests are transferred to KRONOS on an hourly basis. The data interface between the two systems continues to improve and has become very reliable.

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- As stated previously, work continues on developing an electronic overtime request in POLICE MANAGER. Employees will request the overtime electronically in POLICE MANAGER, which will then forward to their supervisor. Upon completing the approval process, the overtime will automatically transfer to the KRONOS System and post to the employee timecard. The electronic overtime request will reduce the amount of time it takes for the Payroll Section to process overtime and will increase reliability while reducing the number of late submittals as well as retroactive overtime payments.

**Responsible Party**

Diana Kirk, Assistant Chief of Police

**Implementation Date**

September 1, 2007

**Chief Internal Auditor's Response**

Based on the results of this audit, the Police Department by their own admission are using the POLICE MANAGER System to process leave requests, monitor Comp Time, process vacation requests, and are planning on processing overtime requests. Our audit work has documented errors in the current interface between POLICE MANAGER and KRONOS, which has resulted in the need to process retroactive adjustments in the Payroll System.

This finding and recommendation calls for the exclusive use of the KRONOS System, which is the official Time Management System for the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll System. The Police Department is assuming additional risks by not fully implementing the recommendation contained in this finding.

**Current Observation**

Agency Web, previously known as Police Manager, is a Personnel Management System. All scheduling data is entered into Agency Web and uploaded into KRONOS. Work schedules are uploaded into KRONOS from Agency Web on Saturdays and updates are posted every hour. The interface between Agency Web and KRONOS appears to be working properly, resulting in accurate data being transferred from Agency Web to KRONOS.

**Status**

Implemented



**Finding 6**

**Vacation Leave Accrual**

The Police Department is not in compliance with the Collective Bargaining Agreement's stipulation allowing a maximum accrual of 320 vacation leave hours and Civil Service Commission's Rule 13 regarding the forfeiture of leave balances over the 320 hours.

A review of the annual leave balances for 22 Airport Division officers indicated that vacation hours were carried over in excess of the allowed 320 hours:

- Nine out of 22 officers (41%) have accrued an average of 44 hours in excess during 1/1/05 to 12/31/05.
- 10 out of 22 officers (45%) have accrued an average of 53 hours in excess during 1/1/06 to 6/16/06.

**Recommendation**

Management needs to monitor accrued vacation hours and deduct any hours in excess of the 320 hours limitation as stated in the Collective Bargaining Agreement (Article 10, Section 2) and Civil Service Commission Rule 13 (Section 4.b).

**Management's Response**

- As stated previously, the Department has attempted to address El Paso Police Department specific issues in KRONOS by partnering with the Human Resources Department and the KRONOS vendor without success. On or about September 15, 2005, EPPD formally initiated technical solutions in KRONOS through Human Resources to automate the following department specific issues: shift differential, excess vacation, excess Compensatory Time, and Leave posting from COURT NOTIFY System. KRONOS was contacted through Human Resources with funding being provided by EPPD to address and fully automate these issues. Subsequent meetings between Human Resources, EPPD, and KRONOS (from 11/7/05 to 4/22/06) have failed to produce the system results required by the department to fully automate KRONOS to meet the needs of the department.
- Police Department has been unsuccessful in accomplishing these solutions through the KRONOS System, therefore a request through POLICE MANAGER and COURT NOTIFY Systems has been made. Since the POLICE MANAGER System is already linked to the KRONOS System, the real time vacation balances can be extracted that are in excess of the 320 hours. Again, due to the Collective Bargaining Agreement, KRONOS is unable to automate to these specific technical solutions for the Police Department. These audits must otherwise be conducted manually for over 1,500 employees.
- Through the POLICE MANAGER System, the Police Department will also have the ability to document an employee's anniversary date, which the KRONOS System is also unable to do as this is not built into the system.

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- The Police Department will conduct a search through KRONOS for all employees exceeding the 320 hours and will then manually search for employees anniversary dates and denied vacation requests as per the Collective Bargaining Agreement. This will be done until such time that a more automated system is in place to conduct such searches.

**Responsible Party**

Diana Kirk, Assistant Chief of Police

**Implementation Date**

September 1, 2007

**Chief Internal Auditor's Response**

A preliminary contact has been made with the Human Resources Director regarding an interface between KRONOS and the POLICE MANAGER Systems. Per the Human Resources Director, the KRONOS Time Management System is capable of monitoring vacation, comp time leave, shift differentials, and work schedules. The use of POLICE MANAGER as an internal monitoring and management tool is not a concern. Keeping in mind that KRONOS Time Management System is the official time management system for the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll System.

The Police Department is assuming additional risks by not fully implementing the recommendation contained in this finding.

**Current Observation**

A monitoring system has been implemented to monitor and deduct any accrued vacation hours. The current process became effective on January 1, 2010 and is being enforced with the 2010 employee anniversary dates.

A review of 15 officers with accrued vacation hours identified that excess accrued vacation is being handled in accordance with Collective Bargaining Agreement Article 10, Section 2 and Civil Service Commission Rule 13, Section 4.b.

**Status**

Implemented

**Finding 7**

**Retroactive Overtime**

A review of overtime payments during January 2006 indicates that there are errors with the payment and processing of overtime. Our review indicated the following:

- 81 out of 2,205 overtime payments (3.7%) were processed as retroactive overtime payments totaling \$8,586.43.
- Retroactive overtime payments processed in January 2006 identified an adjustment of \$516.30. The adjustment was necessary to correct the overpayment of overtime due to a double entry in KRONOS for leave on the same day.

**Recommendation**

Management needs to consider automating the overtime approval and submittal process by using KRONOS. KRONOS is the City's official Time Management System. The exclusive use of KRONOS should help reduce inefficiencies and the risk of erroneous entries. In addition, the use of KRONOS will help ensure the timeliness of the approvals and submittals. Reducing the need to process retroactive overtime payments and ensuring that all overtime reports include accurate overtime figures.

**Management's Response**

- The Police Department does exclusively use KRONOS as its official time management system. Any time worked over an employees regularly scheduled hours requires the approval of a supervisor. Overtime entries are all currently made exclusively through the KRONOS System; either through employee swipes or manual entries by trained supervisors or payroll clerks. Currently no electronic overtime slips exists within the KRONOS System, therefore, all requests (outside of swipes) must currently be made via hardcopy and entered manually.
- The Police Department originally purchased the COURT NOTIFY System, which electronically notifies officers of a court date, and requires that the officer acknowledge the notification. It assists the courts by notifying the courts of any schedule conflicts when scheduling officers (leave time, training, another court date). The department then added the POLICE MANAGER System, which works in conjunction with the COURT NOTIFY System. Leave requests need to be included in POLICE MANAGER, so that the information will be available for the COURT NOTIFY System. This interface is critical for the department to effectively manage its overtime court cost.
- As stated previously, the KRONOS System and POLICE MANAGER System are linked. Recently, an export was set up which exports employee's work schedules from POLICE MANAGER to KRONOS. This eliminates the need for supervisors to enter schedules into KRONOS. Leave Requests are made and approved in POLICE MANAGER. Approved leave requests are transferred to KRONOS on an hourly basis. The data interface between the two systems continues to improve and has become very reliable.

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- Work continues on developing an electronic overtime request in the POLICE MANAGER System. Employees will request the overtime electronically in POLICE MANAGER, which will then be forwarded to their supervisor. Upon completing the approval process, the overtime will automatically transfer to the KRONOS System and post to the employee's timecard. The electronic overtime request will reduce the amount of time it takes for the Payroll Section to process overtime and will increase overtime processing reliability by minimizing human error in both data entry and processing.

**Responsible Party**

Robert Adkinson, Police Budget Coordinator

**Implementation Date**

September 1, 2007

**Chief Internal Auditor's Response**

The use of the POLICE MANAGER System as a management tool is not an issue. The Police Department may use the POLICE MANAGER System as a management tool. However, the Police Department by their own admission is using the POLICE MANAGER System to record, process, and monitor overtime.

There is no need to create "Electronic Overtime Requests" in the POLICE MANAGER System. By using the KRONOS System to record, process, and monitor overtime, the electronic process is handled by KRONOS. If KRONOS is used exclusively to record, process, and monitor overtime the need to process retroactive payments for overtime will be reduced. The current procedure of having Payroll Clerks enter manual entries into KRONOS will be reduced.

The KRONOS System is the official Time Management System of the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll System.

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**Current Observation**

The El Paso Police Department has reduced its use of retroactive overtime payments and is providing management with accurate overtime figures.

- During the original audit a total of 81 retroactive overtime payments totaling \$8,586.43 were processed in a period of a month. During the period of March 28, 2010 to April 24, 2010, the El Paso Police Department processed a total of 18 overtime retroactive payments totaling \$2,177.71. A review of the retroactive payments identified that they resulted from the late submission and/or approval of overtime requests.
- Management is now able to track overtime figures by their corresponding earn code because the use of a retroactive pay code has been discontinued. During the original audit the Earn Codes “RTO” was used to identify retroactive overtime payments. In the beginning of 2010, as a result of an upgrade to PeopleSoft HR, retroactive overtime payments are no longer coded as “RTO” but instead are coded under their actual earn code.

**Status**

Implemented

**Finding 8**

**Outside Employment**

A review of 16 Outside Employment Applications for the month of January 2006 indicated the following:

- 14 out of the 16 applications (87.5%) did not contain a copy of the employee's work schedule as required by the form.
- 3 out of the 16 applications (18.8%) did not list the "Location/Comments" and were not approved by the Department Head.
- There was one entry in the "Outside Employment" spreadsheet that should not have been considered as outside employment because the officer was working grant overtime.

**Recommendation**

Management needs to implement a monitoring system for reviewing Outside Employment Applications.

**Management's Response**

- Management and supervisory personnel will be required to review each outside employment submission thoroughly ensuring completeness. Incomplete Outside Employment requests will not be accepted and will be forwarded back to the employee for completion before being forwarded to the Department Head for approval.
- Employees will be reminded to list only those employments that fall within outside employment or off-duty employment guidelines. Reimbursable grant positions need not be requested on an outside employment form.

**Responsible Party**

Diana Kirk, Assistant Chief of Police

**Implementation Date**

April 1, 2007

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**Current Observation**

A monitoring system has been implemented by the El Paso Police Department for reviewing Outside Employment Applications.

A review of the Outside Employment spreadsheet identified that all of the applicable fields for each employee were completely filled out with the exception of three performance evaluations that were still being verified. A random sample of ten (10) employees were selected for review. All ten individuals did not provide a copy of their outside employment work schedule but instead provided a memo or reason as to why the schedule was not attached.

- Nine of the individuals/officers work “extra-duty” which require use of police powers. These individuals are required to notify Communications when they are working extra-duty and their time worked is recorded in the CAD system. A review of the CAD history identified that all nine officers had not exceeded their 25 hour “outside” employment limit.
- One of the individuals, a non-uniformed employee, is working off-duty employment. Employees working off-duty employment are required to submit a quarterly report (by calendar year) to their supervisor listing the dates, times, place of employment, and hours worked. Because this individual submitted their Outside Employment Application form at the end of the 1<sup>st</sup> quarter, they had not been required to submit hours worked during our review.

**Status**

Implemented

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**Finding 9**

**Staffing**

The Police Department has only one Certified Breath Test Program Technical Supervisor and 31 Certified Breath Test Operators, resulting in increased overtime for these officers.

**Recommendation**

The Police Department needs to increase the number of Certified Breath Test Program Technical Supervisors and Certified Breath Test Operators in order to help reduce overtime.

**Management's Response**

- The Police Department has initiated the creation of a Blood Alcohol Testing Program training facility at the Northeast Municipal Center. This facility will be constructed with confiscated drug money. This facility will serve as a regional training center to certify Breath Test Program Technical Supervisors and Operators. Currently the closest training facility is in Midland, TX. City Council entered into a design agreement with Mijares-Mora Architects, Inc. on August 15, 2006. The City gave Notice to Proceed for design on August 23, 2006. Design will be completed in 3 months, procurement for construction completed in 3 months, and construction completed in 5 months.
- All training and testing equipment required for the facility has already been purchased with BATP funds as well as Capital Funds. This program will require continued reimbursement as per the MOU with El Paso County as prescribed by the Code of Criminal Procedure. These funds must be available for continued training, purchase and repair of BATP equipment, and required certifications of technical personnel.

**Responsible Party**

Stuart C. Ed, Director Administrative Services

**Implementation Date**

September 1, 2007

**Current Observation**

The El Paso Police Department has implemented a Texas Breath Alcohol Testing Program training facility at the Northeast Municipal Center. The Breath Test Operator Course has resulted in an increased number of Certified Breath Test Operators (Intoxilyzer Operators) and Supervisors. As of April 14, 2010 the Police Department had two (2) Technical Supervisors and 106 EPPD Certified Breath Test Operators.

**Status**

Implemented



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**Finding 10**

**Rotation Policy**

The Police Department currently does not have a rotation policy in place for officers working overtime.

**Recommendation**

An Overtime Rotation Policy needs to be implemented to ensure that the same officers are not continuously working overtime.

**Management's Response**

An Overtime Rotation Policy will be researched and created.

**Responsible Party**

Diana Kirk, Assistant Chief of Police

**Implementation Date**

April 1, 2007

**Current Observation**

The El Paso Police Department Procedures Manual, last revised 2/17/2010, has been revised to include overtime rotation which advises unit supervisors to rotate all eligible employees to work overtime.

**Status**

Implemented

**Finding 11**

**Vacation Leave Pre-Approval**

A review of the vacation leave taken by 5 Airport Division officers for a period from 1/1/05 to 12/31/05 indicated the following:

- Eight out of 39 instances (20.5%) were not approved by management before the leave was taken.
- Three out of 39 instances (7.7%) were not approved by management in Police Manager.

A review of the vacation leave taken by 5 Airport Division officers for a period from 1/1/06 to 6/16/06 indicated the following:

- Five out of 20 instances (25.0%) were not approved by management before the leave was taken.
- Two out of 20 instances (10.0%) were not approved by management in Police Manager.

**Recommendation**

Management needs to ensure that all vacation leave requests are submitted 24 hours in advance and approved by management before the leave date in accordance with the Collective Bargaining Agreement, Article 10, Section 2. The approval can be processed through KRONOS. KRONOS is the City's official Time Management System, and using it exclusively should help reduce inefficiencies and the risk of erroneous entries. In addition, it should help to ensure the timeliness of the approvals and submittals, resulting in reliable information to aid management in making scheduling decisions.

**Management's Response**

A major management challenge facing the Police Department is prompt review and approval of leave requests. Whether the system is the old paper system or a new electronic one, the department due to its sheer size has always struggled with supervisors promptly reviewing and processing employee leave requests.

- The Police Department will refine the POLICE MANAGER System to include an escalation component as what presently exists within COURT NOTIFY. Presently, supervisors receive an automatic notification through MS Outlook email when subordinate employees submit leave requests in COURT NOTIFY. This automatic notification will be further refined to escalate the leave request up the employee's chain of command if the immediate supervisor fails to review and act on the request within 24 hours. Likewise, the leave request will continue to escalate at each supervisory level if the leave request is not acted upon within 24 hours at each supervisory level. This quality control escalation will ensure leave requests are promptly processed, reducing the number of leave requests left

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unresolved or not acted while also reducing the number of retroactive pay adjustments required by payroll. Automatic escalation is one example of an extremely useful feature available in COURT NOTIFY/POLICE MANAGER that does not exist in KRONOS.

**Responsible Party**

Diana Kirk, Assistant Police Chief

**Implementation Date**

April 7, 2007

**Chief Internal Auditor's Response**

In reviewing the Police Department's response regarding refining the COURT NOTIFY System with an escalation component to notify supervisors of leave request. This procedure is not necessary as the KRONOS System currently provides this feature. Emails notifications are sent by KRONOS to the approving supervisor upon receiving an employee's leave request.

By refining the COURT NOTIFY System to process leave requests would create a duplication of effort on behalf of the Police Department. KRONOS is the official Time Management System for the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll system. Implementation of the recommendation in this finding is necessary to improve the efficiency of approving leave requests.

**Current Observation**

A review of vacation leave taken by 10 police officers for the period of January 1, 2010 to March 31, 2010 indicated the following:

- Seven out of 25 (28%) instances of vacation leave taken were not submitted and approved in Agency Web prior to leave being taken.
  - In one of the instances, the vacation leave was directly entered into KRONOS and not submitted and approved in Agency Web.
- One out of 25 (4%) instances of vacation leave taken were submitted but not approved in Agency Web prior to leave being taken.

**Status**

In Progress

**Finding 12**

**Incomplete Support Documentation for Comp Time**

There is missing or incomplete support documentation for Comp Time. Thus, making it difficult to verify the validity, authorization, and compliance with Police Department Policies and Procedures.

A review of 87 instances of Comp Time by 5 Airport Division officers for a period from 1/1/05 to 12/31/05 indicated the following:

- Five out of 87 OT Slips (5.7%) were missing.
- One out of 87 OT Slips (1.1%) was missing the signature of the "Authorizing Supervisor".
- 52 out of 87 OT Slips (59.8%) did not include the date of management approval. Therefore, the timeliness of the approval could not be determined.
- 20 out of 87 OT Slips (23.0%) were not date stamped by the Police Department's Payroll Division upon receipt. Therefore, the timeliness of the submittal could not be determined.
- Six out of 87 OT Slips (6.9%) were approved but the comp hours were not accrued. Of these:
  - Three were paid out as overtime (OTP).
  - Two were paid out as straight time because the officer had taken sick leave during the week
  - One was paid out as retroactive overtime (RTO).

A review of 16 instances of Comp Time by 5 Airport Division officers for a period from 1/1/06 to 6/16/06 indicated the following:

- Three out of 16 OT Slips (18.8%) were missing.
- 12 out of 16 OT Slips (75.0%) did not include the date of management approval. Therefore, the timeliness of the approval could not be determined.
- Three out of 16 OT Slips (18.8%) were not date stamped by the Police Department's Payroll Division upon receipt. Therefore, the timeliness of the submittal could not be determined.
- Two out of 16 OT Slips (12.5%) were approved but the comp hours were not accrued. Both were paid out as overtime (OTP).

**Recommendation**

Management needs to use the Overtime/Comp Time component of the KRONOS Time Management System. KRONOS is the official Time Management System for the City of El Paso. This will increase its efficiency/effectiveness, reduce the risk of errors, and ensure adequate support documentation.

In addition, management needs to implement a process to monitor Comp Time requests to ensure they are properly documented, authorized (signed and dated), and processed in accordance with the Collective Bargaining Agreement and Police Department's Policies and Procedures.

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**Management's Response**

- Regarding missing OT slips, work continues on developing an electronic overtime request in POLICE MANAGER. Employees will request the overtime electronically in POLICE MANAGER, which will then be forwarded to their supervisor. Upon completing the approval process, the overtime will automatically transfer to the KRONOS System and post to the timecard. The electronic overtime request will reduce the amount of time it takes for the Payroll section to process overtime and will increase OT processing reliability by minimizing human error in both data entry and processing.
- Regarding the date of management's approval, the current OT request form does not require the date it is approved at the Command level. The form will be amended to include a space requiring an approval date at the Command level.
- Regarding OT slips being date-stamped by Payroll, the electronic overtime solution identified above that is presently being pursued will provide a time-stamp when OT slips are received and approved by the Payroll section.
- Regarding accurate Comp time accrual, the electronic overtime request solution addresses above will also increase OT processing reliability by minimizing human error in both data entry as well as processing.
- The Police Department will refine POLICE MANAGER to include an escalation component as what presently exists within COURT NOTIFY. Supervisors will receive an automatic notification through MS Outlook email when subordinate employees submit Comp Time through COURT NOTIFY. This automatic notification will be further refined to escalate the Comp Time slip up the employee's chain of command if the immediate supervisor fails to review and act on the request within 24 hours. Likewise, the Comp Time slip will continue to escalate at each supervisory level if the leave request is not acted upon within 24 hours at each supervisory level. This quality control escalation will insure Comp Time slips are promptly processed, reducing the number of Comp Time slips left unresolved or not acted upon while reducing the number of retroactive pay adjustments required by Payroll. Automatic escalation is one example of an extremely useful feature available in COURT NOTIFY/POLICE MANAGER that does not exist in KRONOS.

**Responsible Party**

Diana Kirk, Assistant Chief of Police

**Implementation Date**

September 1, 2007

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**Chief Internal Auditor's Response**

In reviewing the Police Department's response regarding refining the COURT NOTIFY System with an escalation component to notify supervisors of leave request. This procedure is not necessary as the KRONOS System currently provides this feature. Emails notifications are sent by KRONOS to the approving supervisor upon receiving an employee's leave request. By refining the COURT NOTIFY System to process leave requests would be a duplication of effort on behalf of the Police Department.

The KRONOS system is also capable of recording, processing, and approving overtime submitted by officers. The KRONOS System already is set up to handle this type of function. KRONOS is the official Time Management System for the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll system. Implementation of the recommendation in this finding is necessary to improve the efficiency of approving overtime requests.

**Current Observation**

- Overtime/Comp time requests are electronically submitted, approved, and posted to KRONOS via Agency Web on the day the overtime is worked.
- A review of comp time requests accrued during the period of March 28, 2010 to April 24, 2010 identified that comp time requests are being properly documented, authorized, and processed:
  - 18 out of 18 (100%) comp time requests were properly documented and accrued/processed.
  - One out of 18 (6%) comp time requests were not submitted and approved in Agency Web on the day the overtime was worked. The individual requesting the comp time properly documented that he was having problems with internet access and therefore had to submit the overtime/comp time request a day late.

**Status**

Implemented

**Finding 13**

**Timeliness of Support Documentation for Comp Time**

A review of support documentation for 87 instances of Comp Time by 5 Airport Division officers for a period from 1/1/05 to 12/31/05 indicated the following:

- Two out of 87 OT Slips (2.3%) were not approved within 48 hours from the date the overtime was worked.
- 16 out of 87 OT Slips (18.4%) were not submitted to the Police Department's Payroll Division within 48 hours from the date the overtime was worked.

A review of support documentation for 16 instances of Comp Time by 5 Airport Division officers for a period from 1/1/06 to 6/16/06 indicated the following:

- Three out of 16 OT Slips (18.8%) were not submitted to the Police Department's Payroll Division within 48 hours from the date the overtime was worked.

**Recommendation**

Management needs to monitor Comp Time requests to ensure that they are submitted and approved in accordance with the current 48-hour requirement.

Management needs to automate the Overtime/Comp Time approval process by using KRONOS. KRONOS is the City's official Time Management System, and using it exclusively should help reduce inefficiencies and the risk of erroneous entries. In addition, it should help to ensure the timeliness of the approvals and submittals, resulting in reliable information to aid management in making scheduling decisions.

**Management's Response**

- Work continues on developing an electronic overtime request in POLICE MANAGER, to include the options for both overtime and Comp Time. Employees will request the overtime electronically in POLICE MANAGER, which will then be forwarded to their supervisor. Upon completing the approval process, the overtime will automatically transfer to the KRONOS System and post to the timecard. The electronic overtime request will reduce the amount of time it takes for the Payroll Section to process overtime and will increase processing reliability by minimizing human error in both data entry and processing.
- The Police Department will refine POLICE MANAGER to include an escalation component as what presently exists within COURT NOTIFY. Presently, supervisors receive an automatic notification through MS Outlook email when subordinate employees submit OT slips through COURT NOTIFY. This automatic notification will be further refined to escalate the OT slip up the employee's chain of command if the immediate supervisor fails to review and act upon the request within 24 hours. Likewise, the OT slip will continue to escalate at each supervisory level request if not acted upon within 24 hours at each

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supervisory level. This quality control escalation will insure OT slips are promptly processed, reducing the number of OT slips left unresolved or not acted upon while also reducing the number of retroactive pay adjustments required by Payroll. Automatic escalation is one example of an extremely useful feature available in COURT NOTIFY and POLICE MANAGER that does not exist in KRONOS.

**Responsible Party**

Diana Kirk, Assistant Police Chief

**Implementation Date**

September 1, 2007

**Chief Internal Auditor's Response**

In reviewing the Police Department's response regarding refining the COURT NOTIFY System with an escalation component to notify supervisors of leave request. This procedure is not necessary as the KRONOS System currently provides this feature. Supervisor approval of overtime is required by KRONOS, prior to data being transferred to the Payroll System. By refining the COURT NOTIFY System to process overtime requests would be a duplication of effort on behalf of the Police Department.

The KRONOS system is also capable of recording, processing, and approving overtime submitted by officers. The KRONOS System already is set up to handle this type of function. KRONOS is the official Time Management System for the City of El Paso. KRONOS currently interfaces with the City of El Paso's Payroll system. Implementation of the recommendation in this finding is necessary to improve the efficiency of approving overtime requests.

**Current Observation**

- Overtime/Comp time requests are electronically submitted, approved, and posted to KRONOS via Agency Web on the day the overtime is worked.
- A review of comp time requests accrued during the period of March 28, 2010 to April 24, 2010 identified that comp time requests are being submitted and approved on the day that the overtime is worked.
  - One out of 18 (6%) comp time requests were not submitted and approved in Agency Web on the day the overtime was worked. The individual requesting the comp time properly documented that he was having problems with internet access and therefore had to submit the overtime/comp time request a day late.

**Status**

Implemented



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***INHERENT LIMITATIONS***

Because of the inherent limitations of internal controls, errors or irregularities may occur and not be detected. Also, projections of any evaluation of the internal control structure to future periods are subject to the risk that procedures may become inadequate due to changes in conditions, or that the degree of compliance with the procedures may deteriorate.

***CONCLUSION***

The Internal Audit Office noted during this follow-up audit that significant improvements have been made since the original audit. Based on the results of this follow-up audit, we found that eleven (11) of the original findings have been implemented, and two (2) are in progress of being implemented. Therefore, a second follow-up audit will be necessary to ensure that the remaining two (2) findings and associated recommendations are implemented.

We wish to thank the El Paso Police Department management and staff for their assistance and courtesies throughout this audit.

Signature on File  
Edmundo S. Calderon, CIA, CGAP, MBA  
Chief Internal Auditor

Signature on File  
Liz De La O, CIA, CGAP, MPA  
Lead Auditor

**Distribution:**

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